



## Press release

### **Edison: First Offshore Regasification Plant in the World Lands to Italy**

*Adriatic LNG Terminal enables Edison gas supply from Qatar to cover 10% of Italy's demand for natural gas*

Milan, September 20, 2008 – Almost three weeks and 1,700 nautical miles (about 3,150 Km) after its departure from the dock yard where it was built in Algeciras, in Spain, the regasification terminal arrived at its permanent Adriatic Sea home, offshore Porto Levante, in the province of Rovigo. The welcoming event held today in Porto Viro (Rovigo) was attended by Silvio Berlusconi, President of the Council of Ministers; Claudio Scajola, Minister of Economic Development; Giancarlo Galan, President of Veneto Region; Umberto Quadrino, Edison's Chief Executive Officer; Gian Battista Merlo, Chairman of ExxonMobil Italiana Gas; and Scott Miller, Managing Director of Adriatic LNG.

The terminal's structure sailed from Algeciras on August 30, towed by four tugboats traveling at an average speed of 4.4 knots (about 8 Km per hour), and reached its destination on September 15. Upon its arrival, the structure was permanently positioned on the seabed, in about 28 meters of water, by weighing it down with water. The weighting is on the way.

Work on the installation of the berthing and mooring system for LNG ships will begin shortly and the terminal will be hooked to a pipeline that will deliver the natural gas to Italy's distribution network. Once the installation process is completed, the terminal will undergo a series of tests and technical trials and the arrival of the first gas ship in the first quarter of 2009 for the process of cool down.

The terminal, the first to be planted offshore in the world, is 47 meters high, 88 meters wide and 180 meters long. It has a regasification capacity of 8 billion cubic meters of natural gas a year; 80% of the capacity, i.e. 6.4 billion cubic meters of natural gas a year, goes to Edison under an LNG sales agreement with Ras Gas (II), a joint venture of Qatar Petroleum and ExxonMobil. The remaining 20% will be available to market operators in accordance with procedures defined by the Italian Electric Power and Natural Gas Authority.

*"After years of gas shortage in Italy, we have now a infrastructure which contributes to solve the safety of the national energy system and diversifies the*

*supply sources, Umberto Quadrino, CEO of Edison said. "The Rovigo terminal, which will cover up to 10% of Italy's gas needs, opens a new route of supply with Qatar, a country with which we built a solid relationship in these years. Today Edison changes the Italian gas market which gets more opened to the competition. The plant is in fact the first importation infrastructure realized in Italy by a new operator. Today there is a new national champion, Edison. The additional gas availability which Edison brings to the market will benefit the families and the companies of our country".*

The natural gas for this project will be supplied from Qatar's North Field, which is the largest natural gas deposit in the world with reserves of more than 25,000 billion cubic meters, and will be liquefied with modern liquefaction trains in Qatar.

Edison, which began this project more than 10 year ago, currently has a 10% interest in Terminale GNL Adriatico Srl, the company that is building the facility. The other partners in this project, each with a 45% interest in Terminale GNL Adriatico Srl, are Qatar Terminal Limited and ExxonMobil Italiana Gas.

This new facility will make a significant contribution to bridging the natural gas production gap that exists in Italy, where market demand is expected to grow at an about 2% annual rate between 2008 and 2013.

The commissioning of the new terminal will bring Edison closer to achieving the growth objectives of its hydrocarbons operations, which call for the Group to attain full autonomy for its natural gas supply need by increasing its natural gas availability from the current 13 billion cubic meters a year to 23 billion cubic meters a year by 2013.

As part of the same growth plan, Edison is developing two additional infrastructures: the Galsi and ITGI natural gas pipelines. These facilities, which are scheduled to go on stream in 2012, will increase natural gas importation capacity by 16 billion cubic meters. Specifically, Galsi will link Algeria with Sardinia and Tuscany. Edison, who is the project's main Italian partner, has already signed a contract with Sonatrach, an Algerian company, to import 2 billion cubic meters of natural gas a year. The ITGI project is an energy corridor that will link Italy with the Caspian Sea Basin, by way of Greece and Turkey. Edison has already secured access to 80% of the transmission capacity of the Italy-Greece segment and is currently negotiating the necessary gas supply contracts with the producing countries.

*Public disclosure required by Consob Resolution No 11971 of May 14, 1999 as amended.*

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